

110TH CONGRESS
1ST SESSION

H. R. 1563

To amend part C of title XVIII of the Social Security Act to provide for a minimum payment rate by Medicare Advantage organizations for services furnished by a critical access hospital and a rural health clinic under the Medicare Program.

IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 2007

Mr. BARROW introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend part C of title XVIII of the Social Security Act to provide for a minimum payment rate by Medicare Advantage organizations for services furnished by a critical access hospital and a rural health clinic under the Medicare Program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Rural Health Services
5 Preservation Act of 2007”.

1 **SEC. 2. MINIMUM PAYMENT RATE BY MEDICARE ADVAN-**
2 **TAGE ORGANIZATIONS FOR SERVICES FUR-**
3 **NISHED BY A CRITICAL ACCESS HOSPITAL**
4 **AND A RURAL HEALTH CLINIC.**

5 (a) IN GENERAL.—Section 1857(e) of the Social Se-
6 curity Act (42 U.S.C. 1395w–27(e)) is amended by adding
7 at the end the following:

8 “(4) MINIMUM PAYMENT RATE FOR SERVICES
9 FURNISHED BY A CRITICAL ACCESS HOSPITAL AND
10 A RURAL HEALTH CLINIC.—A contract under this
11 section between an MA organization and the Sec-
12 retary for the offering of an MA plan shall require
13 the organization to provide for a payment rate under
14 the plan for inpatient and outpatient critical access
15 hospital services and rural health clinic services fur-
16 nished to enrollees of the plan and for extended care
17 services furnished by a critical access hospital under
18 an agreement entered into under section 1883 to
19 such enrollees (whether or not the services are fur-
20 nished pursuant to an agreement between such orga-
21 nization and a critical access hospital or a rural
22 health clinic) that is not less than—

23 “(A) the applicable payment rate estab-
24 lished under part A or part B (which includes
25 the payment of an interim rate and a subse-
26 quent cost reconciliation) with respect to the

1 critical access hospital for such inpatient, out-
2 patient, and extended care services or the rural
3 health clinic for such rural health clinic serv-
4 ices; or

5 “(B) if the critical access hospital or the
6 rural health clinic determines appropriate, 103
7 percent of the applicable interim payment rate
8 established under part A or part B with respect
9 to the critical access hospital for such inpatient,
10 outpatient, and extended care services or the
11 rural health clinic for such rural health clinic
12 services.”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to Medicare Advantage contract
15 years beginning on or after January 1, 2008.

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